

obliged the government to give forced legal tender character to the paper and even to refuse its conversion into securities of the consolidated debt. Specie rose to a premium of thirteen per cent, in December, 1799, and began to disappear from circulation, and in 1800 the Treasury attempted to fill its place by the creation of notes of one and two florins (fifty cents and one dollar). Austria lost several Italian provinces as the result of the brilliant campaigns of Napoleon, and the inhabitants of those provinces who held Treasury bills overran the public depositories with the demand for payment in specie. The separation between coin and paper constantly grew wider, until in 1806 paper circulated for only half its value in silver, which was then the metallic standard. The Treasury made repeated promises, which could not be kept, that a part of the annual tax levy should be consecrated to the reduction of the paper circulation. The need for funds was so urgent that decrees were issued ordering the transmission to the Treasury of silver vessels, jewelry, the decorations of the churches and the consecrated fonts throughout the empire, which were paid for in paper money at three times their specie value.

The peace which followed the French victory at Wagram in 1809 and the marriage of the Archduchess Maria Louisa with Napoleon afforded an opportunity, which the government embraced, to attempt the restoration of order in the public finances. Delegates from all the provinces were assembled, but they found almost insuperable difficulties in the inefficiency and corruption of public officials and the absolute lack of confidence by the business community and the people in the oft-broken pledges of the government. The issues of government paper money had steadily increased from 74,200,000 florins (\$37,000,000) in 1797 to 1,064,000,000 florins (\$530,000,000) in 1811. The value of the paper had declined almost in proportion to the increase in the issues. The price of silver expressed in paper was 1x8 in December, 1800. It steadily rose to 203 in 1807, leaped to 500 in December, 1810, with the enormously increased issues of the three intervening years, and touched 1200 for a time in 1811.